



STATE OF ARIZONA

JANICE K. BREWER
GOVERNOR

EXECUTIVE OFFICE

April 28, 2011

The Honorable Ken Bennett
Secretary of State
1700 W. Washington, 7th Floor
Phoenix, Arizona 85007

RE: Senate Bill 1322 (managed competition; city services)

Dear Secretary Bennett,

Today I vetoed Senate Bill 1322. This bill requires the cities of Phoenix and Tucson to provide all municipal services with a cost greater than \$500,000 through an open bid contract.

I am a strong proponent of privatization and responsible stewardship in government and have a strong track record in this regard. As Governor, privatization is a key element in my Four Cornerstones of Reform. Under that plan, I have established the Arizona Commerce Authority and its private-sector leadership board as a highly privatized and highly accountable model for the delivery of statewide economic development services. Likewise, I created the Commission on Privatization and Efficiency to identify state services and agencies whose functions can be eliminated, consolidated, streamlined or outsourced to achieve greater operational efficiency in meeting the needs of our citizens.

Unfortunately, Senate Bill 1322, which started with a similar spirit of enhanced privatization and innovation, is riddled with shortcomings including the omission of vital definitions and the parameters by which anticipated cost is to be determined. The language also has potential for jeopardizing the tax exempt bond status of public buildings. Furthermore, local taxpayers expect careful oversight and accountability of justice and public safety functions such as court administration and crime lab staff. These are just a few examples of what would be privatized under this bill. City councils currently have the ability to outsource, and they do that when they determine it is in the best interest of the taxpayer.

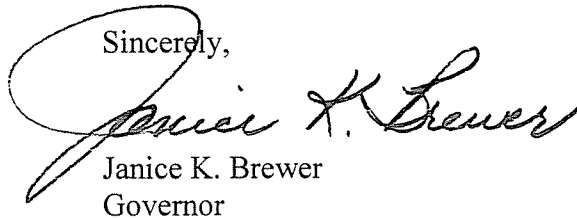
While I can agree that all levels of government must continue to find ways to cut costs, I am becoming increasingly concerned that many bills introduced this session micromanage decisions best made at the local level. What happened to the conservative belief that the most effective, responsible and responsive government is government closest to the people? The citizens of Phoenix and Tucson formed their government and adopted a charter to guide it. This legislation erodes the ability of voters

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to receive services from the government they themselves formed with a responsiveness and accountability from the officials they themselves elected at the local level.

These shortcomings will surely result in unintended consequences to the taxpayer that this very bill declares to be protecting.

Sincerely,

A handwritten signature in cursive script, reading "Janice K. Brewer". The signature is written in dark ink and is positioned above the printed name and title.

Janice K. Brewer
Governor

cc: The Honorable Russell Pearce
The Honorable Andy Tobin
The Honorable Frank Antenori
Senate Secretary
Chief Clerk of the House of Representatives
Arizona News Service